

DIVISION OF FINANCE

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STATE OF MISSOURI

December 11, 1998

The attached report represents a consolidation of Reports of Condition filed by state-chartered banks with the Missouri Division of Finance as of September 30, 1998, and a comparison with the statements filed one year earlier.

Also included is a comparison of financial statements of state-chartered and national banks.

The number of state-chartered banks and trust companies declined from 374 to 357 during the last twelve months. Ten banks and one non-deposit trust company merged into out-of-state affiliates, nine merged into other Missouri state-chartered banks, and one merged into a Missouri national bank. Three state banks converted to national charters and one federal savings bank converted to a state-chartered bank. Four new banks and three non-deposit trust companies were granted state charters. One inactive bank charter was surrendered and cancelled.

The fourteen state-chartered banks, which merged with or converted to national banks or out-of-state offices totaled \$9.0 billion in assets and held \$6.9 billion in deposits on September 30, 1997. The departure of these banks was largely the result of a few major banking organizations consolidating offices into out-of-state affiliates. While the physical offices and business remain in Missouri, financial records are now reported in the out-of-state office.

Assets in state-chartered banks totaled \$36.9 billion on September 30, 1998, a decrease of 5.3 percent from one year earlier. Deposits were \$31.3 billion, down 3.7 percent; and total loans were \$24.1 billion on September 30, 1998, down 3.6 percent.

The equity capital to assets ratio improved to 9.34 percent. The primary capital ratio, which includes the reserve for loan losses increased to 10.19 percent.

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Net income in state banks was up 1.8 percent from the first nine months of 1997. Annualized return on assets among state-chartered banks was 1.22 percent, up from 1.13 percent in 1997.

Earl L. Manning
Commissioner

**COMPARATIVE STATEMENT OF CONDITION
STATE BANKS AND TRUST COMPANIES IN MISSOURI
AS OF SEPTEMBER 30, 1998**

THOUSANDS OF DOLLARS	346 BANKS 9/30/98	363 BANKS 9/30/97	INCREASE DECREASE()	PERCENT CHANGE
ASSETS				
Total Loans	\$24,117,600	\$25,009,400	(\$891,800)	-3.6%
Allowance for Loan Losses	346,900	344,600	2,300	0.7%
Total Assets	36,921,700	38,976,500	(2,054,800)	-5.3%
LIABILITIES				
Total Deposits	31,269,700	32,467,500	(1,197,800)	-3.7%
Total Equity Capital	3,449,100	3,469,300	(20,200)	-0.6%

OPERATING RATIOS	9/30/98	9/30/97	CHANGE
Capital and Reserves/Assets	10.19%	9.70%	0.49%
Total Loans/Assets	65.32%	64.17%	1.15%
Allowance for Loan Losses/Loans	1.44%	1.38%	0.06%
Return on Assets (Annualized)	1.22%	1.13%	0.09%

NOTES:

1997 Does not include nine nondeposit trust companies and two chartered but not operating banks.
1998 Does not include eleven nondeposit trust companies.

**COMPARATIVE STATEMENT OF CONDITION
STATE AND NATIONAL BANKS IN MISSOURI
AS OF SEPTEMBER 30, 1998**

MILLIONS OF DOLLARS	9/30/98			9/30/97	PERCENT CHANGE
	346 STATE BANKS	50 NATIONAL BANKS	396 ALL BANKS	410 ALL BANKS	
ASSETS					
Cash and Due from Banks	1,336	2,557	3,893	3,278	18.8%
Investment Securities	9,196	10,424	19,620	17,474	12.3%
Total Loans and Leases	24,118	21,923	46,041	40,834	12.8%
Less: Reserves	347	321	668	586	14.0%
Federal Funds Sold	1,181	1,316	2,497	1,435	74.0%
Fixed Assets	630	636	1,266	1,112	13.8%
Other Real Estate	54	14	68	74	-8.1%
Other assets	754	1,365	2,119	1,326	59.8%
TOTAL ASSETS	\$36,922	\$37,914	74,836	64,947	15.2%
LIABILITIES					
Total Deposits	31,270	27,276	58,546	53,612	9.2%
Deposits over 100M	3,185	2,081	5,266	4,460	18.1%
Brokered Deposits	198	50	248	172	44.2%
Federal Funds Purchased	1,215	2,584	3,799	3,214	18.2%
Other liabilities	988	4,808	5,796	2,412	140.3%
Total Equity Capital	3,449	3,246	6,695	5,709	17.3%
TOTAL LIABILITIES	\$36,922	\$37,914	74,836	64,947	15.2%
EARNINGS					
Interest Income	2,050	2,026	4,076	3,252	25.3%
Interest Expense	1,013	999	2,012	1,537	30.9%
Net Interest Income	1,037	1,027	2,064	1,715	20.3%
Provision for Loan Losses	39	45	84	109	-22.9%
Net Income	332	437	769	568	35.4%
Cash Dividends	178	504	682	275	148.0%
Net Loan Losses	20	39	59	79	-25.3%